



Building a better Indiana



An economic update
from
Representative
**Trent
VanHaaften**

Protecting Hoosier companies

During this legislative session our efforts to promote and protect Indiana business culminated in the passage of House Bill 1080. This bill will stimulate Indiana's economy by **providing a price preference to Hoosier businesses for public works and procurement contracts**. With this legislation, we focus on Indiana companies *first* as suppliers for goods and services that the state purchases.

House Bill 1434 **supports small, low-income businesses** by furnishing access to a Microenterprise Partnership Program. The Program, available to busi-

nesses with fewer than five employees, includes grants for training and technical assistance.

These measures are in addition to the economic development package passed during the 2003 session through the **Energize Indiana initiative**. That legislation included funding for research of new uses of agricultural products and established a pilot program for economic development in rural areas. It also amended our constitution to eliminate the state's inventory tax, which had been putting Hoosier businesses at a disadvantage with outside firms.

Bringing in new industry

In addition to supporting our existing job base, it is crucial that we look to the future and establish a foundation for industries in emerging fields. In 2003 the legislature:

- Passed a bill that appropriated \$75 million toward the 21st Century Research and Technology Fund for new and emerging high-tech companies which provide high-wage jobs.
- Established Certified Technology Parks in Indiana, encouraging high-technology businesses to locate within specific areas of the state. Seven such parks have been designated across Indiana.
- Passed a bill permitting the Indiana Port Commission to help finance capital improvement projects through flexible financing options. These provide significant advantages for companies seeking to build or expand facilities in Indiana. Estimates for this program indicate the potential for \$100 million in investments in Indiana by the end of the year.

This year we passed House Bill 1365, which makes the state's Research and Development Tax Credit permanent and extends an important Business Investment Tax Credit for two years.

Each of these initiatives is intended to signal the business community that our state is committed to growing our economy here in Indiana.



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Addressing federal trade policies



Last year legislators established a House Study Committee to hear from people affected by our growing trade problems. Employers, employees and industry experts all testified on the inability of local companies to compete with low wages and artificially low currencies from other countries.

The Committee's efforts resulted in the passage this session of House Resolution 47. HR 47 calls on the federal government to address the adverse effects on trade resulting from artificially lowered foreign currencies. The resolution also urges leaders to ensure that international trade agreements require corporations to pay fair and competitive wages, respect the right to unionize and adopt workplace safety and antipollution standards equivalent to those in the U.S. Additionally, we ask the president and Congress to reconsider steel tariffs on foreign-produced steel.

HR 47 passed the House of Representatives with overwhelming bipartisan support and was sent by the Principal Clerk of the House to the President of the United States and each member of Indiana's Congressional delegation.

Retaining our college graduates

Indiana is working to retain its college graduates in two important ways.

First, the General Assembly has focused on helping Hoosier students receive a quality education through substantial financial support of Indiana's higher education institutions. In fact, Indiana ranks among the top third of states in terms of appropriations for higher education per capita, despite the critical budget issues we have faced in recent years. The legislature has also dramatically improved the accessibility of Indiana's higher education institutions through our Community College Initiative.

Secondly, our job creation incentives for the state indirectly entice qualified graduates to remain in Indiana to live and work.

Energize Indiana and other recent legislative efforts have targeted four growing sectors of the economy:

Advance manufacturing, life sciences, information technology and 21st century logistics. If Indiana can create the high demand, high-wage jobs for which students have been trained, they will be more likely to stay in Indiana, and others will be more likely to come here.



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